

WASHINGTON, DC - U.S. Rep. Charlie Melancon today voted in favor of new legislation to protect small businesses by providing them with improved access to federal contracts. H.R. 1873, the Small Business Fairness in Contracting Act was overwhelmingly approved by the U.S. House of Representatives by a vote of 409-13 and will ensure small business owners have the opportunity to compete for contracts from the federal government. May 10, 2007
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"Small businesses are the lifeblood of our economy in south Louisiana and across America," said Rep. Melancon. **"But for too long, too many small businesses have found it difficult or impossible to compete for federal contracts. Small businesses along the Gulf Coast are still struggling to recover from the 2005 hurricanes and the debacle that was the SBA's response. This bill will help level the playing field for hard-working small businesses and gives them a fair shake in competing for federal contracts."**

The Small Business Fairness in Contracting Act:

- **Gives small businesses a better opportunity at government contracts** by making it harder for government agencies to bundle contracts into billion dollar super-contracts. This will put small businesses on a more level playing field with large corporations.
- **Makes changes to ensure more federal contracts are available to small firms** by raising the federal small business government-wide contracting goal, requiring the President to establish small business goals on an annual basis, and increasing the goal for procurement for small disadvantaged and women-owned businesses from 5 percent to 8 percent.
- **Takes steps to ensure that large corporations are not able to take advantage of small business contracting programs**, and requires the Small Business Administration to reach out to small businesses regarding the opportunities to compete for government

contracts. Last year, the federal government counted \$12 billion as small business contracts that were actually awarded to large businesses.

The United States is home to more than 26 million small businesses that represent more than 99.7 percent of all employers. Small businesses create half of our gross domestic product, and up to 80 percent of the new jobs nationwide. Additionally, studies have shown that supporting small businesses is good for the American economy. For every \$1 invested, small businesses will contribute \$7 to the economy.

In recent years, the federal government has failed to ensure small businesses have the opportunity to compete for government contracts. For the past six years, the federal government has failed to meet its 23 percent small business contracting goal. This failure costs small businesses almost \$10 billion in lost contracting opportunities. Additionally, the federal government has incorrectly credited small businesses with receiving \$12 billion in contracts that were awarded to large businesses.

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